



Recommendation for Action

File #: 20-3516, **Agenda Item #:** 37.

12/3/2020

Posting Language

Authorize negotiation and execution of a contract with the University of Texas Rio Grande Valley, to provide training and coaching for cooperatively owned businesses, for a term of one year in an amount not to exceed \$75,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established. However, the recommended contractor identified subcontracting opportunities).

Lead Department

Purchasing Office.

Client Department(s)

Economic Development Department.

Fiscal Note

Funding is available in the Fiscal Year 2020-2021 Operating Budget of the Economic Development Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 5500 BYS3007 for these services. The solicitation issued on July 6, 2020 and it closed on August 18, 2020. Of the three offers received, the recommended contractor submitted the best evaluated, responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134529)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134529>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Persons: Brenita Wilkison, at 512-974-3164 or brenita.selement@austintexas.gov <<mailto:brenita.selement@austintexas.gov>> or Alfonso Drayton, at 512-974-2298 or alfonso.drayton@austintexas.gov <<mailto:alfonso.drayton@austintexas.gov>>.

Additional Backup Information:

The contract will provide cooperative-specific training classes and coaching, the development of cooperative-specific informational guides, and will assist the Economic Development Department (EDD) with outreach and marketing to cooperatives as a pilot program. In 2016, the EDD published *Supporting Cooperatively Owned Businesses*, a needs assessment study that researched the business development needs of cooperatively

owned businesses (“cooperatives”). The study found that cooperative-owned businesses need education and assistance on the same topics that all small businesses need, plus three additional topics that are unique to their ownership, operations and management structure: democratic governance and management, capital structure dealing with profit sharing and member equity, and legal structures under which cooperatives can incorporate. The study recommended that EDD provide training and coaching for cooperative-owned businesses and incorporate information for cooperatives into its marketing and collateral materials targeted to small businesses. EDD currently provides training, coaching, information and other services that address traditional business needs, but does not provide services that address the unique needs of cooperatives. The program will provide training and coaching on establishing and operating a cooperatively owned business, including transition of an existing business to worker cooperative ownership.

This is a new contract. The amounts were based on departmental estimates.

An evaluation team with expertise in this area evaluated the offers and scored the University of Texas Rio Grande Valley as the best to provide these services based on organization’s demonstrated expertise in delivering business training and coaching to cooperatives, organization’s demonstrated experience in managing comparable programs, personnel qualifications, price, management structure, local preference, and service disabled veteran business preference.

If a contract is not secured, EDD will be unable to provide specialized training and coaching to cooperatively owned businesses or persons interested in starting a cooperatively owned business as indicated by the 2016 needs assessment.

Strategic Outcome(s):

Economic Affordability and Opportunity; Government That Works for All.